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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/08

SPONSOR Rodella LAST UPDATED \_\_\_\_\_ HB 279

SHORT TITLE Taos County YouthBuild Program SB \_\_\_\_\_

ANALYST Propst

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$215.0	Non-recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)  
Children, Youth and Families Department (CYFD)

### SUMMARY

#### Synopsis of Bill

House Bill 279, Making an Appropriation for the Taos County YouthBuild Program, appropriates \$215.0 thousand from the general fund to DFA to support the Taos County YouthBuild Program.

### FISCAL IMPLICATIONS

The appropriation of \$215.0 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall revert to the general fund.

### SIGNIFICANT ISSUES

According to CYFD, YouthBuild is a US Department of Housing and Urban Development-sponsored program that supports education and employment training for high-risk youth. Participants construct and/or rehabilitate affordable housing for low-income and/or homeless persons and families. The Taos County YouthBuild program provides alternative education to low income at-risk youth and young adults ages 16 to 24 years, helps them prepare for their

GED, teaches life skills such as financial management, and trains them in construction skills. Since the program's inception in Taos County, 61 trainees have earned their GED; 64 trainees have found either gainful employment or been accepted into continuing education; and 21 homes and 40 apartments have been built or refurbished.

DFA added that the 2005 US Bureau of Census estimates the poverty rate in Taos County at 20.9% while the national rate is estimated at 12.4%. The unemployment rate of 16-19 year olds is 10.6% and of 20-24 years olds is 14.2%. The national unemployment average is 6.9%. Taos County had the fifth highest unemployment ranking in the state. The number of 18-24 years olds without a high school diploma in Taos County is at 29% while the national average is at 19.6%.

The goals of the YouthBuild program are to address the core issues with low income rural living in northern New Mexico by providing education development, employment, housing and leadership skills to at-risk youth in Taos County.

The YouthBuild Program has been in existence for ten years. The program delivers services for 20 youth per program cycle (6-12 months). 90% of the trainees who graduate from the program are placed into relevant jobs, or apprenticeship programs or continued education. 71 trainees obtained their GED in the last seven years. Through collaboration with other entities in Taos County, this program has helped to build 20 homes and 40 apartments for low income citizens in Taos County. The program recently sold their first home that was built from the ground up solely by trainees. The income generated from this sale, will be turned around into the start up costs for the next project. This will make the construction program sustainable, but the program needs funding for operational costs.

Up until now, funding for the YouthBuild program was provided through HUD. This year the funding was appropriated through DOL and this program, along with many other rural programs, was not selected for continued funding. The program will be applying for funding from other sources into the future, but because of the short notice of not being selected for federal funding, this program needs assistance from this legislature to bridge the current gap in funding and keep the program operational.

## **DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB 282; HB 139; HB 282

WEP/mt